

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION OF)
CHESAPEAKE UTILITIES CORPORATION)
FOR APPROVAL OF A CHANGE IN ITS) PSC DOCKET NO. 15-1362
GAS SALES SERVICE RATES ("GSR"))
TO BE EFFECTIVE NOVEMBER 1, 2015)
(FILED SEPTEMBER 1, 2015))

ORDER NO. 8792

AND NOW, this 22nd day of September, 2015, the Delaware Public Service Commission ("Commission") determines and orders the following:

WHEREAS, on September 1, 2015, Chesapeake Utilities Corporation ("Chesapeake" or "the Company") filed with the Commission the above-captioned application (the "Application") seeking approval to change its Gas Sales Service Rates ("GSR") effective for usage on or after November 1, 2015, as follows: (1) decrease the Company's current GSR rate from \$1.069 per Ccf to \$0.681 per Ccf for customers served under rate schedules RS-1, ERS-1, RS-2, ERS-2, GS, EGS, MVS, EMVS, and LVS; (2) decrease the Company's current GSR rate from \$0.552 per Ccf to \$0.218 per Ccf for customers served under rate schedules GLR and GLO; (3) decrease the Company's current GSR rate from \$0.849 per Ccf to \$0.488 per Ccf for customers served under rate schedule HLFS; (4) implement a new firm balancing rate of \$0.081 per Ccf for transportation customers served under rate schedules GS and EGS; (5) implement a new firm balancing rate of \$0.091 per Ccf for transportation customers served under rate schedules MVS and EMVS; (6) increase the Company's firm balancing rate for transportation customers served under rate schedule LVS from \$0.058 per Ccf to \$0.073 per Ccf; (7) increase the Company's firm balancing rate for

transportation customers served under rate schedule HLFS from \$0.012 per Ccf to \$0.024 per Ccf; and (8) increase the Company's interruptible balancing rate for transportation customers served under rate schedule ITS from \$0.001 per Ccf to \$0.014 per Ccf; and

WHEREAS, the Commission has determined, pursuant to 26 Del. C. §§304 and 306, that the proposed GSR changes should be permitted to become effective for usage on and after November 1, 2015, subject to refund and pending the Commission's further review and final decision;

**NOW, THEREFORE, IT IS HEREBY ORDERED BY THE AFFIRMATIVE
VOTE OF NOT FEWER THAN THREE COMMISSIONERS:**

1. Pursuant to 26 Del. C. §§303(b), 304, and 306, the following proposed changes to the GSR rates, firm balancing rates, and the accompanying proposed tariff revisions set forth in the Application, are permitted to become effective for natural gas usage on or after November 1, 2015, subject to refund and pending the Commission's final decision:

Rate Schedule	Present Rate	Proposed Rate
RS-1, ERS-1, RS-2, ERS-2, GS, EGS, MVS, EMVS, LVS	\$1.069 per Ccf	\$0.681 per Ccf
GLR, GLO	\$0.552 per Ccf	\$0.218 per Ccf
HLFS	\$0.849 per Ccf	\$0.488 per Ccf

Rate Schedule	Present Balancing Rate	Proposed Balancing Rate
GS/EGS	\$0.000 per Ccf	\$0.081 per Ccf
MVS/EMVS	\$0.000 per Ccf	\$0.091 per Ccf
LVS	\$0.058 per Ccf	\$0.073 per Ccf
HLFS	\$0.012 per Ccf	\$0.024 per Ccf
ITS	\$0.001 per Ccf	\$0.014 per Ccf

2. As outlined in the form of notice (attached as Exhibit "A"), interested persons are afforded the opportunity to file objections to the proposed changes to the GSR rates, firm and interruptible

balancing rates, and the accompanying proposed tariff revisions set forth in the Application. Such objections or written comments shall be filed **on or before Friday, October 30, 2015** using the DelaFile e-filing system, which can be accessed from the Commission's website at <http://depsec.delaware.gov>.

3. If the Commission does not receive any material objections or written comments raising significant issues, the Commission may, by later order, approve the proposed changes to the GSR rates, firm and interruptible balancing rates, and the accompanying proposed tariff revisions set forth in the Application after a duly noticed evidentiary hearing at a regularly-scheduled Commission meeting. If material objections or written comments are filed, the Commission may, by later order, determine the course of any appropriate further proceedings, which may include the appointment of a Hearing Examiner to conduct an evidentiary hearing or the requirement that the Company make a separate regulatory filing in a new docket to address the matter.

4. Chesapeake shall give public notice of the filing of this Application, with the proposed rate changes and this action by the Commission, by publishing notice in the form attached as **Exhibit "A"** in two-column format, outlined in black, in the legal classified section of The News Journal newspaper on **Tuesday, October 6, 2015**, and the Delaware State News newspaper on **Wednesday, October 7, 2015**. Chesapeake shall submit proof of such publications as soon as possible, but no later than the commencement of any evidentiary hearings concerning this matter.

5. Chesapeake is hereby put on notice that it will be charged the costs incurred by the Commission staff and the Division of the Public Advocate in connection with this proceeding under the provisions of 26 *Del. C.* §114(b)(1).

6. The Commission reserves the jurisdiction and authority to enter such further Orders in this matter as may be deemed necessary or proper.

BY ORDER OF THE COMMISSION:

Chair

Commissioner

Commissioner

Commissioner

Commissioner

ATTEST:

Secretary

E X H I B I T "A"

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P U B L I C N O T I C E

TO: ALL NATURAL GAS CUSTOMERS OF CHESAPEAKE UTILITIES CORPORATION
AND OTHER INTERESTED PERSONS

Chesapeake Utilities Corporation's Gas Sales Service Rates Application

On September 1, 2015, Chesapeake Utilities Corporation ("Chesapeake" or the "Company") filed with the Delaware Public Service Commission (the "Commission") an application pursuant to 26 Del. C. §§303(b), 304, and 306 seeking to change its Gas Sales Service ("GSR") Rates as follows:

Rate Schedule	Present Rate	Proposed Rate
RS-1, ERS-1, RS-2, ERS-2, GS, EGS, MVS, EMVS, LVS	\$1.069 per Ccf	\$0.681 per Ccf
GLR, GLO	\$0.552 per Ccf	\$0.218 per Ccf
HLFS	\$0.849 per Ccf	\$0.488 per Ccf

Compared to the rates currently in effect, an average RS-2 customer using 700 Ccf per year will experience an annual decrease of approximately 24.2%, or \$22.63 per month. During the winter heating season, a typical RS-2 customer using 110 Ccf per winter month will experience an decrease of approximately 26.7%, or \$42.68 per winter month.

The Company has also proposed the following changes to its firm and interruptible balancing rates for transportation customers:

Rate Schedule	Present Balancing Rate	Proposed Balancing Rate
GS/EGS	\$0.000 per Ccf	\$0.081 per Ccf
MVS/EMVS	\$0.000 per Ccf	\$0.091 per Ccf
LVS	\$0.058 per Ccf	\$0.073 per Ccf
HLFS	\$0.012 per Ccf	\$0.024 per Ccf
ITS	\$0.001 per Ccf	\$0.014 per Ccf

The Commission has permitted the proposed GSR and other rates to become effective with usage on and after November 1, 2015, subject to refund and pending the Commission's final decision after evidentiary hearings and any other proceedings that may be necessary.

The Commission will conduct evidentiary hearings, to be scheduled at a later date, concerning this Application. The Commission's final decision will be based on the evidence presented at such hearings.

Interested persons are afforded the opportunity to file objections to the proposed changes to the GSR, firm and interruptible balancing rates, and the accompanying proposed tariff revisions set forth in the Application. Such objections or written comments shall be filed **on or before Friday, October 30, 2015** using the Commission's file management system, DelaFile (<http://delafile.delaware.gov>), and by searching for Docket No. 15-1362.

If the Commission does not receive any material objections or written comments raising significant issues, the Commission may, by later order, approve the proposed changes to the GSR rates, firm and interruptible balancing rates, and the accompanying proposed tariff

revisions set forth in the Application after a duly noticed evidentiary hearing at a regularly-scheduled Commission meeting. If material objections or written comments are filed, the Commission may, by later order, determine the course of any appropriate further proceedings, which may include the appointment of a Hearing Examiner to conduct an evidentiary hearing or the requirement that the Company make a separate regulatory filing in a new docket to address the matter.

You are invited to review Chesapeake's application and supporting documents to determine how your interests may be affected by going to DelaFile (<http://delafile.delaware.gov>), the Commission's file management system, and by searching for Docket No. 15-1362.

If you would like to review documents at the Commission's offices, please contact Donna Nickerson at (302) 736-7500 or by sending an email addressed to donna.nickerson@state.de.us. You may also review copies of Chesapeake's Application and supporting documents at the office of the Division of the Public Advocate located at either 820 North French Street, 4th Floor, Wilmington, Delaware 19801 or 29 South State Street, Dover, DE 19901. Please call either (302) 577-5077 (Wilmington) or (302) 241-2555 (Dover) to arrange for a time to review the documents at either of those locations.

If you wish to request copies of documents in this matter, please submit a Freedom of Information Act Request Form. The link to this form can be found on the Commission's website,

<http://dep.sc.delaware.gov>, or by visiting this web address:
<https://delafile.delaware.gov/Complaints/FOIA.aspx>. The Commission will respond to your request in accordance with the Delaware Freedom of Information Act, 29 Del. C. ch. 100.

If you have a disability and wish to participate or to review the materials in this matter, please contact the Commission to discuss any auxiliary aids or services you might need to help you. You may contact the Commission in person, by writing, by telephone (including text telephone), by Internet e-mail, or other means. If you have questions about this matter, you may call the Commission at 1-800-282-8574 (toll-free in Delaware) or (302) 736-7500 (voice and text telephone). You may also send questions regarding this matter by Internet e-mail addressed to jason.r.smith@state.de.us.